

1 **NEW SCHOOL DISTRICT LEEWAY**

2 **RETENTION**

3 2007 GENERAL SESSION

4 STATE OF UTAH

5 **Chief Sponsor: Bradley M. Daw**

6 Senate Sponsor: _____

7

LONG TITLE

8 **General Description:**

9
10 This bill allows certain newly created school districts to continue certain property tax
11 levies existing in a predecessor district.

12 **Highlighted Provisions:**

13 This bill:

- 14 ▶ allows certain newly created school districts to continue certain property tax levies
- 15 approved by a vote of the predecessor district electorate;
- 16 ▶ places limitations on the levies; and
- 17 ▶ exempts the levies from truth in taxation advertisement requirements for a certain
- 18 period of time.

19 **Monies Appropriated in this Bill:**

20 None

21 **Other Special Clauses:**

22 None

23 **Utah Code Sections Affected:**

24 ENACTS:

25 **53A-2-118.2**, Utah Code Annotated 1953

26

Be it enacted by the Legislature of the state of Utah:



28 Section 1. Section **53A-2-118.2** is enacted to read:

29 **53A-2-118.2. New school district leeway continuation.**

30 (1) If at the time a new school district is created pursuant to Section 53A-2-118.1 any
31 portion of the territory within the new school district was subject to a levy pursuant to Section
32 53A-16-110 or 53A-17a-133, the new school district's board of education may:

33 (a) abolish the levy; or

34 (b) apply the entire levy or a portion of the levy to the newly created district, subject to
35 Subsection (2).

36 (2) If the board applies a levy to the new school district pursuant to Subsection (1):

37 (a) the levy may only continue for two years after creation of the new district;

38 (b) the board is not required to comply with the advertising requirements of Section
39 59-2-919 during the two-year period if a levy applied under Subsection (1) is the only
40 adjustment above the certified tax rate; and

41 (c) a levy rate may not exceed the maximum corresponding levy rate applied by any
42 predecessor school district at the time the new district was created.

43 (3) The board may continue a levy after two years by complying with the requirements
44 of the levy the board wishes to apply, as specified in Section 53A-16-110 or 53A-17a-133.

Legislative Review Note
as of 11-21-06 2:18 PM

Office of Legislative Research and General Counsel

Interim Committee Note
as of 12-19-06 7:01 AM

The Political Subdivisions Interim Committee recommended this bill.

H.B. 58 - New School District Leeway Retention

Fiscal Note

2007 General Session

State of Utah

State Impact

Enactment of this bill will not require additional direct appropriations. The total amount of the State guarantee under the Voted Leeway program may increase or decrease depending on the amount of revenue generated by the Voted Leeway per Weighted Pupil Unit of the new and old school districts.

Individual, Business and/or Local Impact

Enactment of this bill may result in some impact to locally generated revenues through the Voted Capital Levy and the Voted Leeway for a newly established school district.

1/15/2007, 9:01:53 AM, Lead Analyst: Schoenfeld, J.D.

Office of the Legislative Fiscal Analyst